

The Past Year One of Liquidation, Says Market Critic in Reviewing Conditions

MARKET STEADIED BY STEEL TRADE

Values Started Upward After Low Mark Was Set in Summer

By MAX CASE
Special Correspondent

NEW YORK, Dec. 31.—Business on the stock exchange during the year ending today shows a pronounced reduction both as to stocks and bonds in comparison with the previous year.

Total sales of stocks approximated 171,000,000 shares against 222,000,000 in 1920 and 216,000,000 in 1919.

In round figures bond sales approximated 181,000,000, 182,000,000 and 183,000,000 in 1920, 1921 and 1922 respectively.

There was no decline of the enormous "over the counter" or private sales, by banks, bankers and bond dealers, which were the outstanding feature of the investment market in the final quarter of this year and of which not even an approximate total is available.

TRADE IN WHEAT LARGE AT START

Strong Interests Supporting Market, However, Bring Trend Down

CHICAGO, Dec. 31.—Powerful support today multiplied to a great extent forced receivership liquidation in the Chicago board of trade and as a consequence not changed were time-honored practices.

The market position was sole exception, that option closing 3 cents lower after excited shorts had bid it up at the start. May and July wheat closed unchanged, corn was 3% to 5% lower; oats 3% to 5% lower, and provisions irregularly 3% lower to 3% higher.

Trade in wheat was fairly large at the start of the initial offerings, were taken promptly and when it was seen that the larger interests had come in, the market turned downward tendency was checked.

The midwinter period was comparatively quiet except in December when which fluctuated wildly and then stamped sharply in the final half hour.

Corn had some early support but turned dull and heavy later. Oats followed wheat.

Sharp advances in hogs helped steady provisions but they were slightly easier with grains. There was some liquidation evident in

Stock Exchange Review

STOCKS WIND UP SANS FEATURES

Both Rails and Industrials Give Way to Specialties

NEW YORK.—The brief trading period which marked the close of the year on the stock exchange, developed a number of unusual and interesting standard issues both rails and industrials once more gave way to specialties, some of these being strong, while others became irregular or reactionary. Reversals of one or two points among investment stocks were generally retrieved in the short covering of the final hour, indicating that the market was prominent. Sales 400,000.

The bond market was devoid of striking features, although relatively more active than stocks. Total sales aggregated \$17,250,000.

British exchange held around yesterday's final quotations but most continental rates were substantially higher.

The clearing house statement showed few important changes considering the heavy transfer of funds incidental to the year's end. Actual loans and discounts increased by \$53,000,000 and another cash contraction of \$11,200,000 reduced excess reserves to barely more than \$17,000,000.

Important issues like the leading steel industries led the way for the general list, but United States Steel proved to be an anchor holding the market generally in a safe position.

The leading industrial issue of the year was \$64 early in May yielded to 70¢ late in June, but although its statements for the succeeding quarters of the year showed solid business at its lowest ebb since 1904, the market position of this stock improved until at the end of the year it was back around the highest level established in the first week of May.

There were other industries, however, that suffered a crumbling away of values without prospect of recovery in the near future. Among these was American Sugar Refining, which sold down from 96 in January to a new low record of 47% in October. In the preceding year this stock had sold as high as 144, but had been considerably lower in more direct influence on the stock on this and other sugar issues than on any other industrial group and was the definite result of the collapse in the price of refined sugar to below 5 cents a pound after starting the year at 8 cents a pound and having been acquired at prices apparently representing a gain of around 30 cents a pound in 1920.

After the low prices were recorded in the period ranging from early in June to near the end of August, security values started upward.

The situation was steadied at frequent intervals by evidence of a huge accumulation of funds seeking investment which could be definitely identified as coming from the various issues of short term notes and long term bonds. The overflow of subscriptions to these bond issues was diverted in the latter part of the year to the buying of the better class of dividend paying railroad shares. Many of these moved up with a good deal of vigor in the last month of the year, but did not reach the levels prevailing a year ago. A feature of the railroad group was the drop in Chicago, Milwaukee & St. Paul, which, from 31 on January 12, dropped to 17½ late in December, the lowest price touched by that stock since 1877.

The money situation was changed from one of inflation to one of deflation, total reserves of the Federal reserve banks on last Thursday were \$2,349,600,000, against \$2,953,323,000 on the corresponding day in 1920. Federal reserve note liabilities and deposits combined at the end of the year was 7.1 per cent against 4.51 per cent a year ago. The 12 federal reserve banks now hold 47½ per cent gold against note liabilities compared with 56.5 per cent a year ago.

In the last week of the year an advancing tendency was partly nullified by heavy sales of securities to establish losses in compiling tax return.

Clearing House Review

NEW YORK, Dec. 31.—Operations of the New York Clearing House association reflected the year's retrograde movement in business, commerce and industry.

Year's exchanges amounted to \$19,601,219,663 with balances of

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In 1920, exchanges amounted to the enormous total of \$243,135,915,364, balances totaling \$25,673,329,328.

These totals were shaded in 1919,

however, exchanges dropping back to \$222,802,624,837 and balances to \$21,973,328,962.

Foreign Exchange.

NEW YORK, Dec. 31.—Foreign exchange markets:

Great Britain—Demand £1.71, valdes 4.71, to 4.80 mills on books U.S.

Italy—Demand Lira 1.55, valdes 1.27.

Germany—Demand 54 pfennig 2.27.

Holland—Demand 2.40, valdes 2.40.

Chicago Livestock.

CHICAGO, Dec. 31.—Live cattle com-

menced with weak say 50¢ lower and moderate light heifers mostly 33¢ higher. Light and medium steers and hindquarters were 33¢ higher and hindquarters moderate plus 33¢ very scarce sheep. Receipts 1,800,000 at market direct compared with 2,000,000 last year, but show a slight decline and feeder lambs mostly 33¢ higher.

Chicago Produce.

CHICAGO, Dec. 31.—Bacon, ham, hammy extra fine, first 25¢ 30¢ each.

Eggs—Lower, seconds 17½ cents, Grade A ordinary first 25¢ 30¢ each.

Pork—Alive, higher, hams 17½ cents.

Potatoes—Receipts 4 carloads, U.S. standard 33¢ each. Market sale, 33¢

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In the Oil Fields

(From U. S. geological survey, department of the interior summary of crude petroleum statistics 1920-1920.)

Domestic	Production	Consumption	Stocks	Percent to
	Barrels	Barrels	Barrels	Stocks
1920	183,174,000	167,685,660	15,000	16,740,000
1919	227,500,000	251,890,000	13,230,000	6%
1918	226,449,000	211,550,000	17,100,000	13,233,000
1917	222,935,000	249,188,000	7,283,000	12,237,000
1916	248,446,000	281,892,000	17,809,000	13,283,000
1915	265,763,000	261,292,000	17,247,000	141,550,000
1914	281,104,000	273,271,000	18,140,000	185,755,000
1913	309,767,000	305,599,000	20,570,000	162,337,000
1912	325,164,000	337,736,000	30,163,000	146,042,000
1911	355,228,000	41,702,000	40,300	12,190,000
1910	377,118,000	41,847,000	52,822,000	12,287,000
1909	415,402,000	531,186,000	166,125,000	13,269,000
1921	443,111,000	98,350,000	172,245,000	25

The whole world's production in 1919 and 1920 was as follows:

United States	Production	Consumption	Stocks	Days
Mexico	443,492,000	377,719,000	1,000	1919
Russia	13,854,000	13,854,000	932	1919
Dutch E. Indies	35,248,000	35,248,000	3,224,000	1919
Romania	16,000,000	16,000,000	15,750,000	1919
Persia	6,684,734	6,684,734	6,289,812	1919
Galgia	6,000,000	6,000,000	6,255,000	1919
Peru	2,790,000	2,790,000	2,581,000	1919
Japan and Formosa	1,213,000	1,213,000	1,213,000	1919
Trinidad	1,188,437	1,188,437	1,188,437	1919
Argentina	1,089,213	1,089,213	1,089,213	1919
Egypt	700,000	700,000	633,339	1919
Venezuela	500,000	500,000	521,339	1919
Canada	220,000	220,000	220,000	1919
Germany	215,000	215,000	225,000	1919
Italy	38,000	38,000	38,254	1919

Estimated

Month	Production	Consumption	Imports